



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

APR 13 2016

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Peter Jaworoski, Vice-President of Manufacturing
Anderson Shumaker Company
824 South Central Ave., Chicago, Illinois

Re: Administrative Order EPA-5-15-113(a)-IL-2

Dear Peter Jaworoski:

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at 312-886-6797.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Marshall", is written over a horizontal line.

Sarah Marshall
MI/WI Section

Enclosure

cc: John Matson/C-14J
Yasmine Keppner-Bauman, Acting Manager, Compliance Section, Bureau of Air,
Yasmine.Keppner-Bauman@Illinois.gov

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-16-113(a)-IL-02
)	
Anderson Shumaker Company)	Proceeding Under Sections 113(a)(1) and (3)
Chicago, Illinois)	and 114(a)(1) of the Clean Air Act, 42 U.S.C.
)	§§ 7413(a)(1) and (3) and 7414(a)(1)

Administrative Consent Order

A. Preliminary Statement

1. This Administrative Compliance Order (Order) is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (Administrator) by Sections 113(a)(1) and (3) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(1) and (3) and 7414(a)(1).—
2. Respondent is Anderson Shumaker Company (Anderson), the owner and operator of an open die forge located at 824 South Central Avenue, Chicago, Illinois.

B. Statutory Authority for Order

3. Section 113(a)(1)(A) of the CAA, U.S.C. § 7413(a)(1)(A), grants the Administrator the authority to issue an order requiring compliance to any person who has violated or is violating any requirement or prohibition of an applicable state implementation plan (SIP).
4. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), grants the Administrator the authority to issue an order requiring compliance to any person who has violated or is violating any of the National Emission Standards for Hazardous Air Pollutants (NESHAP).

5. The Administrator of EPA may require any person who owns or operates an emission source to, among other things, establish and maintain records, make reports, sample emissions, and keep records on control equipment parameters under Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1).

6. The Director of the Air and Radiation Division of EPA Region 5 (Director) is delegated the authority on EPA's behalf to issue this Order under Sections 113(a) and 114(a)(1) of the CAA, 42 U.S.C. § 7413(a) and 7414(a)(1).

7. Anderson consents to the issuance and the terms of this Order.

C. Statutory and Regulatory Background

National Emission Standards for Hazardous Air Pollutants

8. Section 112(b) of the CAA, 42 U.S.C. § 7412(b), authorizes EPA to designate hazardous air pollutants (HAP) which present or may present a threat of adverse effects to human health or the environment.

9. Section 112(c) and (d) of the CAA, 42 U.S.C. § 7412(c) and (d), require EPA to publish a list of categories of sources which EPA finds present a threat of adverse effects to human health or the environment due to emissions of HAP, and to promulgate emission standards for each source category.

10. Section 112(d) of the CAA requires EPA to establish NESHAPs for both major and area sources of HAP that are listed for regulation under CAA Section 112(c). A "major source" includes a "stationary source" that emits or has the potential to emit 10 tons per year (tpy) or more of any single HAP or 25 tpy or more of any combination of HAP. An "area source" is a "stationary source" that is not a major source. See Section 112(a) of the CAA, 42 U.S.C. § 7412(a).

11. A “stationary source” is any building, structure, facility, or installation that emits or may emit any air pollutant. See 42 U.S.C. § 7412(a).

12. The NESHAP General Provisions, 40 C.F.R. §§ 63.1-63.16, apply to affected sources regulated by a relevant NESHAP, provided that the NESHAP explicitly identifies whether each General Provision is included in the NESHAP.

13. The NESHAP General Provisions at 40 C.F.R. § 63.9(b) require the owner or operator of an affected source to submit an initial notification to EPA that the source is subject to the relevant standard.

14. Section 112(i)(3) of the CAA, 42 U.S.C. § 7412(i)(3), and the NESHAP General Provisions at 40 C.F.R. § 63.4 prohibit the owner or operator of an affected source from operating such source in violation of any NESHAP applicable to such source.

40 C.F.R. Part 63, Subpart XXXXXX

15. Pursuant to Section 112(d) of the CAA, 42 U.S.C. § 7412(d), EPA promulgated the NESHAP “Area Source Standards for Nine Metal Fabrication and Finishing Source Categories” at 40 C.F.R. Part 63, Subpart XXXXXX (Subpart 6X). See 73 Fed. Reg. 43000 (July 23, 2008). Subpart 6X is codified at 40 C.F.R. §§ 63.11514 through 63.11523, and went into effect on July 23, 2008.

16. Subpart 6X applies to the owner or operator of an “area source” that is primarily engaged in the operations in one of nine listed source categories, including iron and steel forging. See 40 C.F.R. § 63.11514(a)(7).

17. Table 1 of Subpart 6X defines “iron and steel forging” as “[e]stablishments primarily engaged in the forging manufacturing process, where purchased iron and steel metal is pressed, pounded, or squeezed under great pressure into high strength parts known as forgings.”

18. Subpart 6X applies to each new and existing "affected source" listed and defined in 40 C.F.R. § 63.11514(b)(1) through (5) if the owner or operator uses materials that contain or have the potential to emit metal fabrication or finishing metal HAP (MFHAP). *See* 40 C.F.R. § 63.11514(b). "Affected sources" include all equipment and activities necessary to perform: (i) machining operations; (ii) welding operations; and (iii) dry grinding, and dry polishing with machines. *See* 40 C.F.R. § 63.11514(b)(1) through (5).

19. Subpart 6X at 40 C.F.R. § 63.11514(b) defines "MFHAP" to include the compounds of chromium and nickel, in amounts greater than or equal to 0.1 percent by weight of the metal, and materials that contain manganese in amounts greater than or equal to 1.0 percent by weight of the metal.

20. Subpart 6X at 40 C.F.R. § 63.11514(c) provides that an affected source is "existing" if construction or reconstruction of the source commenced on or before April 3, 2008.

21. Subpart 6X at 40 C.F.R. § 63.11515(a) requires the owner or operator of an existing affected source to achieve compliance with the applicable provisions of Subpart 6X no later than July 25, 2011.

22. Subpart 6X at 40 C.F.R. § 63.11516(b) requires the owner or operator of a new or existing machining source to implement management practices listed in (b)(1) and (2).

23. Subpart 6X at 40 C.F.R. § 63.11517(a) requires that "[v]isual determination of fugitive emissions must be performed [at facilities subject to Subpart 6X] according to the procedures of EPA Method 22, of 40 C.F.R. Part 60, Appendix A-7. You must conduct the EPA Method 22 test while the affected source is operating under normal conditions. The duration of each EPA Method 22 test must be at least 15 minutes, and visible emissions will be considered to be present if they are detected for more than six minutes of the fifteen minute period."

24. Subpart 6X at 40 C.F.R. § 63.11517(b) requires that “visual determinations of fugitive emissions must be performed at facilities subject to Subpart 6X in accordance with 40 C.F.R. § 63.11517(a) and according to the schedule in 40 C.F.R. § 63.11517(b)(1) through (4), as follows:

- a. *(1) Daily Method 22 Testing.* Perform visual determination of fugitive emissions once per day, on each day the process is in operation, during operation of the process;
- b. *(2) Weekly Method 22 Testing.* If no visible fugitive emissions are detected in consecutive daily EPA Method 22 tests, performed in accordance with paragraph (b)(1) of this section for 10 days of work day operation of the process, you may decrease the frequency of EPA Method 22 testing to once every five days of operation of the process (one calendar week). If visible fugitive emissions are detected during these tests, you must resume EPA Method 22 testing of that operation once per day during each day that the process is in operation, in accordance with paragraph (b)(1) of this section;
- c. *(3) Monthly Method 22 Testing.* If no visible fugitive emissions are detected in four consecutive weekly EPA Method 22 tests performed in accordance with paragraph (b)(2) of this section, you may decrease the frequency of EPA Method 22 testing to once per 21 days of operation of the process (one calendar month). If visible fugitive emissions are detected during these tests, you must resume weekly EPA Method 22 in accordance with paragraph (b)(2) of this section; and
- d. *(4) Quarterly Method 22 Testing.* If no visible fugitive emissions are detected in three consecutive monthly EPA Method 22 tests performed in accordance with paragraph (b)(3) of this section, you may decrease the frequency of EPA Method 22 testing to once per 60 days of operation of the process (3 calendar months). If visible fugitive emissions are detected during these tests, you must resume monthly EPA Method 22 in accordance with paragraph (b)(3) of this section.”

25. Subpart 6X at 40 C.F.R. § 63.11519(a)(1) requires that an owner or operator of an existing affected source must submit, no later than July 25, 2011, the Initial Notification required by 40 C.F.R. § 63.9(b), providing the information set forth in 40 C.F.R. § 63.11519(a)(1)(i) through (iv).

26. Subpart 6X at 40 C.F.R. § 63.11519(a)(2) requires the owner or operator of an existing affected source to submit a Notification of Compliance Status on or before November 22, 2011, providing the information set forth in 40 C.F.R. § 63.11519(a)(2)(i) through (iv).

27. Subpart 6X at 40 C.F.R. § 63.11519(b) requires the owner or operator of an affected source to prepare an annual compliance certification report, providing the information set forth in 40 C.F.R. § 63.11519(b)(2) through (7).

28. Subpart 6X at 40 C.F.R. § 63.11523 requires the owner or operator of an affected source to comply with the requirements of the NESHAP General Provisions set forth in Table 2 of Subpart 6X.

29. Table 2 of Subpart 6X states that the NESHAP General Provision requirements applicable to affected sources under Subpart 6X include 40 C.F.R. §§ 63.4 and 63.9(b)(1)(5).

Illinois SIP

30. On May 31, 1972, EPA approved Illinois Pollution Control Board (IPCB) Rule 103(a) and 103(b) as part of the federally enforceable SIP of the State of Illinois. *See* 37 Fed. Reg. 10862. IPCB Rule 103(a) is set forth in the Illinois SIP at Rule 103(a). IPCB Rule 103(b) is set forth in the Illinois SIP at Rule 103(b).

31. The Illinois SIP at Rule 103(a)(1) provides that no person shall cause or allow the construction of any new emission source or any new air pollution control equipment, or cause or allow the modification of any existing emission source of air pollution equipment, without first obtaining a construction permit from the Illinois Environmental Protection Agency (IEPA).

32. The Illinois SIP at Rule 103(b)(1) provides that no person shall cause or allow the operation of any emission source or new air pollution control equipment of a type for which a construction permit is required, without first obtaining an operating permit from IEPA.

D. EPA's Factual Findings

33. Anderson owns and operates an open die iron and steel forge located at 824 South Central Avenue, Chicago, Illinois (the Facility), which primarily forges stainless steel, and is a "stationary source" as that term is defined in 42 U.S.C. § 7412(a).

34. Anderson was and is an "owner" and an "operator" as those terms are defined in Section 112 of the CAA, 42 U.S.C. § 7412, and 40 C.F.R. § 63.2, of a Facility engaged in "iron and steel forging," as that term is defined in Table 1 of Subpart 6X.

35. Anderson's Facility is an "area source" of HAP emissions.

36. Anderson's Facility was and is subject to Subpart 6X at all times relevant to this Order because it was and is an "area source" primarily engaged in the operation of "iron and steel forging," which contains or has the potential to emit MFHAP.

37. Forging stainless steel uses materials that contain or have the potential to emit MFHAP, as defined in Subpart 6X at 40 C.F.R. § 11514(b), including chromium, nickel, and manganese.

38. Except for the air emission sources set forth in Paragraph 41, Anderson's Facility was constructed or reconstructed on or before April 3, 2008, and is therefore an "existing source," as that term is defined at Subpart 6X at 40 C.F.R. § 63.11514(c).

39. Subpart 6X thus applies to each "affected source" at Anderson's Facility listed and defined in 40 C.F.R. § 63.11514(b)(1) through (5), including all equipment and activities necessary to perform machining operations, welding operations, and dry grinding and dry polishing, that use materials that contain MFHAP.

40. Anderson operates under a CAA Lifetime Operating Permit (ID Number 031600CYM) which IEPA issued on March 27, 1996.

41. Anderson began operation of the air emissions sources listed below on the following dates:

Press Shop Installations	
Project	Operations Start Date
2500 Ton Hydraulic Press	2010
Forge Furnace P1	2011
Forge Furnace P2	2011
Forge Furnace P3	2013
Heat Treat Furnace P4	2011
Heat Treat Furnace #6	2015
Water Quench Tank ¹	2010
Polymer Quench Tank	2011
Hydraulic Ring Roller ²	2010

¹Permit exempt equipment - 35 Ill. Adm. Code Section 201.146(oo)

²Permit exempt equipment - 35 Ill. Adm. Code Section 201.146(aa)(3)

42. On July 2, 2013, EPA inspected the facility to, among other things, assess Anderson's compliance with Subpart 6X.

43. In February 2015, Anderson provided to EPA information concerning its operation of the Facility.

44. EPA's review of the information provided during the inspection, and additional information submitted as a follow-up to the inspection, revealed Anderson violated the General Provisions in 40 C.F.R. Part 63, Subpart 6X, the Illinois SIP, and the CAA as follows:

- a. Anderson violated the Illinois SIP at Rule 103(a)(1) by failing to obtain construction permits prior to commencing construction for the Polymer Quench Tank, Heat Treat Furnace P4, and Forge Furnace P1 identified in Paragraph 41;
- b. From 2011 to the present, Anderson violated the Illinois SIP at Rule 103(b)(1) by operating the air emissions sources identified in Paragraph 41 prior to modifying its operating permit to include these sources;

- c. From 2011 to the present, Anderson failed to perform visual determination of fugitive emissions at its steel forging operation according to the procedures of EPA Method 22, of 40 C.F.R. Part 60, Appendix A-7, in compliance with the schedule set forth in 40 C.F.R. § 63.11517(b), in violation of 40 C.F.R. § 63.11517(a) and Section 112 of the CAA, 42 U.S.C. § 7412;
 - d. Anderson failed to submit the Initial Notification for its steel forging operation on or before July 25, 2011, in violation of 40 C.F.R. § 63.11519(a)(1) and Section 112 of the CAA, 42 U.S.C. § 7412;
 - e. Anderson failed to submitted a Notification of Compliance Status for its steel forging operation on or before November 22, 2011, in violation of 40 C.F.R. § 63.11519(a)(2) and Section 112 of the CAA, 42 U.S.C. § 7412; and
 - f. From 2011 to 2015, Anderson failed to prepare annual compliance certification reports for its steel forging operation, in violation of 40 C.F.R. § 63.11519(b) and Section 112 of the CAA, 42 U.S.C. § 7412.
45. On May 29, 2015, EPA issued to Anderson an NOV/FOV alleging, *inter alia*, the violations listed in Paragraph 44.

E. Order

46. By the dates set out in this Order, Anderson must comply with all applicable requirements of the NESHAP General Provisions, Subpart 6X, the Illinois SIP, and the CAA.
47. Within 30 days of the effective date of this Order, Anderson shall implement the NESHAP Monitoring/Recordkeeping Program, dated November 13, 2015, which Anderson submitted to EPA on November 16, 2015.
48. Within 60 days of the effective date of this Order, Anderson must begin to conduct visual determinations of fugitive emissions at the affected source (i.e. its steel forging operation) using the procedures and test methods of EPA Method 22 of 40 C.F.R. Part 60, Appendix A-7, and continue conducting such visible determinations according to the schedule set forth in 40 C.F.R. § 63.11517(b).

49. Anderson must submit to EPA the results of the EPA Method 22 tests set forth in Paragraph 48 on a quarterly basis, within 30-days of the end of each quarter, for the reporting year 2016.

50. By January 31 of each year, Anderson must prepare and submit an annual certification and compliance report for its steel forging operation in accordance with 40 C.F.R. § 63.11519(b) and keep it in a readily-accessible location at the facility.

51. Anderson must send all reports required by this Order either via e-mail to Bega.Albana@epa.gov, or via U.S. Mail to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

F. Other Terms and Conditions

52. Anderson admits the jurisdictional allegations contained in this Order.

53. Anderson neither admits nor denies EPA's findings in Section D of this Order.

G. General Provisions

54. Any violation of this Order may result in a civil administrative or judicial action for an injunction or civil penalties of up to \$37,500 per day per violation, or both, as provided in Section 113(b)(2) and 113(d)(1) of the CAA, 42 U.S.C. §§ 7413(b)(2) and 7413(d)(1).

55. EPA may use any information submitted under this Order in any administrative, civil judicial, or criminal action.

56. Nothing in this Order shall relieve Anderson of its duty to comply with all applicable provisions of the CAA, or other federal, state, and local laws. Nor shall this Order restrict EPA's authority to seek compliance with any applicable laws or regulations. Nor shall this Order be construed to be a ruling on, or a determination of, any issue related to any federal, state, or local permit.

57. Nothing in this Order limits EPA's authority to undertake any action against Anderson or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment. The terms and provisions of this Order apply to and are binding on Anderson, its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assignees. From the Effective Date of this Order until the Termination Date as set out in Paragraph 66 below, Anderson must give written notice and a copy of this Order to any successors in interest prior to transferring, assigning, or delegating ownership or control of any portion of interest in Anderson, and must simultaneously provide verification to EPA, at the above address, that it has given the required notice. In the event of the occurrence of any such transfer, assignment, or delegation of interest, Anderson shall provide written notice of the transfer, assignment, or delegation of interest to EPA. Any such transfer, assignment, or delegation of interest shall not release Anderson from the obligation or liabilities of this Order, unless EPA has provided its written approval of the release of said obligations or liabilities.

58. This Order does not restrict EPA's authority to enforce Illinois SIP at Rule 103(a)(1) and (b)(1), and Section 112 of the CAA or any other section of the CAA.

59. Nothing in this Order limits the EPA's authority to seek appropriate relief, including penalties, under Section 113 of the CAA, 42 U.S.C. § 7413, for Anderson's violations set forth in EPA's May 29, 2015 NOV/FOV of the NESHAP for Area Source Standards for Nine Metal Fabrication and Finishing Source Categories at 40 C.F.R. Part 63, Subpart 6X, and Illinois SIP at Rule 103(a)1 and (b)(1).

60. To the extent this Order requires Anderson to submit any information to EPA, Anderson may assert a claim of business confidentiality covering part or all of that information, but only to the extent and in the manner set forth in 40 C.F.R. Part 2, Subpart B. If Anderson does not assert a business confidentiality claim, EPA may make all submitted information available to any member of the public without further notice. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

61. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in EPA's electronic recordkeeping efforts, please furnish an electronic copy on physical media such as compact disk, flash drive, or other similar item. If it is not possible to submit the information electronically, please submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

H. Effective Date of Order

62. Pursuant to Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), an Order does not take effect until the person to whom it has been issued has had an opportunity to confer with EPA concerning the alleged violations.

63. By signing this Order, Anderson acknowledges and agrees that it has been provided an opportunity to confer with EPA prior to issuance of this Order.

64. This Order is effective on the date of signature by the Director of the Air and Radiation Division.

I. Judicial Review of Order

65. Anderson waives any and all remedies, claims for relief, and otherwise available rights to judicial or administrative review that Anderson may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1).

J. Termination of Order

66. This Order will terminate on the earlier of the following (the Termination Date), at which point Anderson shall operate in compliance with the CAA:

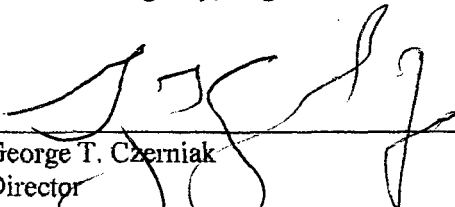
- a. One year after the Effective Date, provided Anderson has complied with all terms of the Order throughout its duration;
- b. The effective date of any determination by EPA that Anderson has achieved compliance with all terms of this Order; or
- c. Immediately upon receipt by Anderson of notice from EPA that an imminent and substantial endangerment to public health, welfare, or the environment has occurred.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

In the Matter of:)	EPA-5-16-113(a)-IL-02
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Anderson Shumaker Company)	Proceeding Under Sections 113(a)(1) and (3)
Chicago, Illinois)	and 114(a)(1) of the Clean Air Act, 42 U.S.C.
)	§§ 7413(a)(1) and (3) and 7414(a)(1)


For the United States Environmental Protection Agency, Region 5

4/13/16
Date


George T. Czerniak
Director
Air and Radiation Division
U.S. Environmental Protection Agency, Region 5

For Anderson Shumaker Company

3/28/2014
Date


Peter Jaworoski
Vice-President of Manufacturing
Anderson Shumaker Company

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent the Administrative Consent Order, EPA-5-16-113(a)-IL-2, by certified mail, return receipt requested, to:

Peter Jaworoski
Anderson Shumaker Company
824 South Central Ave.
Chicago, Illinois

I also certify that I sent a copy of the Administrative Consent Order, EPA-5-16-113(a)-IL-2, by electronic mail to:

Yasmine Keppner-Bauman
Yasmine.Keppner-Bauman@Illinois.gov

On the 15th day of April 2016.

Kathy Jones

for _____
Loretta Shaffer
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT
NUMBER:

7011 1150 0000 2640 8459